BUDGET
The budget is used to direct and authorize all association expenditures made by the administrative office.

IAWP leadership drafts a new budget annually and presents it in the winter to the Board of Directors for approval. The budget is based on income projections, known expenses, and budget requests. The budget is built using historical data from, at minimum, the previous three fiscal years taking into account trends in both income and expenses. In addition, the president discusses committee initiatives for the following year with chairs and includes cost projections in the preliminary budget.

The budget contains several functional categories. Each functional category may contain detailed line items. Because some categories cover planned expenditures for several committees and their activities, the association limits bottom-line budget authority only to designated line items. Each year the budget will include a contingency line item for ordinary expenses outside the budget. Board approval is required to spend contingency funds.

ADDITIONAL FUNDS AND ACCOUNTS
In addition to the association’s checking account, the following accounts will be maintained:

Petty Cash: The Administrative Office will maintain petty cash of $50 at the office in a locked box. Petty cash is a small amount of cash on hand that is used for paying small amounts owed, rather than writing a check. All expenses must be documented and submitted to the Secretary/Treasurer monthly. When the cash in the petty cash fund is low, the administrative office requests a check to be cashed in order to replenish the cash that has been paid out. Petty cash will be included in the balance sheet provided to the board as part of the financial report at each board meeting.

Sweep Account: A reserve account at the same financial institution as the checking account. The account provides quick access to cash should the association need it to pay bills or take on a special activity as approved by the board. Transfer of funds from the sweep account to the checking account must be approved and documented by the Secretary/Treasurer with a report to the board at the next scheduled meeting. The sweep account will be included in the balance sheet provided to the board as part of the financial report at each board meeting.
**IAWP POLICY: Finance**

*Investment Portfolio:* The association has an investments portfolio, which is managed by an investments firm. In order to effectively monitor the investments, the administrative office will track the investments monthly and will prove the Secretary/Treasurer monthly statements to monitor the investments. Investment accounts will be included in the balance sheet provided to the board as part of the financial report at each board meeting.

**APPROVAL OF PAYMENTS**
The Board of Director grants signing authority for financial transactions and payments to the Secretary/Treasurer and Executive Director.

The Board of Directors grants signing authority for contracts to the Executive Director. Contracts over $3500 must be approved by the Board of Directors or the Executive Committee.

**REIMBURSEMENTS**
Board members may need reimbursements for postage, telephone, telegrams, or fax to carry on official association business. Normally these expenditures are limited to the approved budget amounts and can be covered by suing association calling cards or regular procedures for centralized mailings through the administrative office. Whenever possible, use association-issued calling cards for telephone and fax, and send material to the administrative office for duplication and mailings (include distribution instructions). Staff charges these expenditures to the budget’s appropriate line item. If reimbursement is necessary, contact the administrative office for the appropriate reimbursement form.